

Homestead Farm HOA Meeting | September 26th, 2016
South Holly Baptist Church

- I. Meeting was called to order at 7:05 PM. Board members present were Dave Watanabe, Michael Lombardo, Jon Bellum and Kevin Sherrod. Jenna Woodman was present from ACCU. There were 9 homeowners present.
- II. Dave motioned to approve the minutes from August 22, 2016 and Jon seconded.
- III. Next the DRC working session was discussed and the board decided to discuss this at the meeting but to not vote until the the information sent out via USPS to the homeowners. The vote to wait on this was 3-1, Jon, Mike and Kevin approved this however Dave voted for it. This will be delayed, the board will still discuss this with homeowners present however it will only be a discussion. There were two homeowners present who wanted to comment on this and will wait.
- IV. Next The board read the Treasures Report provided by Mark Wieber who was not able to be in attendance. The report given was as follows:

September Treasurer's Report

- Through August 31 the operating expenses remain well in line with the budget. Taking out the Special Assessment lines 41300 and 41500 of the income statement, we have an actual Operating Net Income of \$10,070 against a budget of \$19,454 through Aug 31. Although actual is lower than budget, we are now entering the 4th Quarter when we have much higher income due to lower expenses, ie the pool is closed and landscape and irrigation contract/non-contract needs end. We expect to be right on target with the budget at year end.
- Per the 2015 Reserve Study, the ideal reserve balance is \$293,084. The recommendation for 'Financial Strength' is between 70% and 99% of the ideal, or \$205,159 to \$290,153.
 - At the end of 2015 we sat at \$132,668 or 45% of ideal
 - At the end of August, we sit at \$226,999 or 77% of ideal. We are already in the range of 'Financial Strength'
 - At the end of December this year, I project us to be at approximately \$257,623 or 88% of ideal. We will be in a position of very high financial strength at the end of 2016
 - With the expectation of the same \$54,790 in the 2017 budget for Deferred Replacement Reserves (as it is in 2016), this means we'll have \$54,790 to spend on reserve projects in 2017 and STILL maintain a position of very high financial strength.
 - This last statement does NOT take into account a Year Two special assessment of \$50,200. If we were to also move ahead with this second year of Special

Assessment, then we'd expect to be able to do \$54,790 of reserve projects AND end 2017 with \$307,823 in the reserve accounts. That would represent 105% of ideal.

- As a board, and with input from homeowners, we need to decide discuss whether we will spend \$54,790 on expense projects in 2017 AND move ahead with the second year Special Assessment.

After the report was read, Mike explained the reason we would continue the special assessment in the following years because there are 'big ticket' items coming up in the future. One of these items is the pool area that needs to be addressed, which could take a large amount of the reserves and the board is working on getting accurate bids for this so the HOA will be prepared to handle this. He explained the board is trying to be pro-active and not re-active.

Dave then explained that we are trending in a positive way as far as the budget goes, this was because a few years ago the board focused on the improvement of the reserves which caused more deferred maintenance. The board has been very active in improving the DRC guidelines and that has taken time which is good front hat point of view however they are aware of the balance on focusing on the items that need to be done and maintenance that needs attention. It is a balance and they are aware and addressing it.

Next a homeowner, Jeff Muller asked about the pre-paid insurance for \$7,000 and mentioned the operating account shows a lower amount. He wanted to know why there was an amount on the asset line for this, Jenna said her and Mark are looking into the insurance with the broker as well.

Mike motioned to accept the financials and Kevin seconded.

- V. Next moving onto Landscape, Jon explained that he is creating a sub committee to assist with the exterior part of the neighborhood. He does not have a further update at this time.

Dave then read the landscaping report that Mark provided:

September Landscape and Irrigation Report

- We deposited the check for \$11,759.86 from Denver Water. It went into the reserve account.
- Presented a copy of that check to Willows Water, but have not received the refund from them yet.
- Brightview has gotten much more proactive in the last 4 to 6 weeks:
 - Repaired a couple of additional lateral line leaks

- Found two zones with low flow that were caused by tree roots strangling the lateral lines. Repaired both of these on their own.
- Pruned all of the junipers along the south side of Holly
- Replaced a half dozen rotor heads with models that require lower pressure for given reach. Also did this on their own.
- Brightview was quite awful in June and July, as previously reported, but are finishing this season with a much higher level of proactivity. The expectation is that they'll start 2017 working like this from Day 1.
- We just planted five flowering crabapple trees on the east and south sides of the pool parking lot per the original 2010 landscape plan. The intent is to continue to plant trees per that same plan.

Then one homeowner, Neal said that Bright View has dropped the ball on the back low testing. Neal is the chairman of the board and he has authorized the committee to cut the locks. The water board is taking on the back flow testing themselves. Then, on a homeowner note he commented that he disagrees that the landscape company is doing a poor job and they are over-watering. Dave mentioned this has been brought up about 3-4 times and is unsure as to why this has not been taken care of, the homeowner then said there were 2 alarms that went off today and he shut the controller off himself. He said he is sharing that as a homeowner and water board member.

Next Mike said the check for \$12k Ned about \$6k that we received as a rebate for the new system. Neal then explained that this was partly covered by Denver Water since the HOA upgraded the system.

Next Dave mentioned the tree planting that was just done. He also shared that there is a large cottonwood that has been dying and needs to be removed. The board has all looked at the tree and Dave made a motion to remove the tree. Then Jeff Muller brought up the trees on Dry Creek as there are trees dying over there as well. Mike agreed that this has been noticed as well. Then Neal said that if you walk the south green belt there are about three big holes of old trees that need to be removed. The board then voted to remove the tree and all were in favor to remove the tree near the pool.

Dave next motioned he met with an arborist this morning to look at trees in the common areas. He said the trees have not been properly taken care of. He then said we have a good amount of Ash trees which is an issue because of the ash bore beetle. He said this is affecting a lot of the trees in this area. In order to salvage these trees they need trimmed and injected to preserve the trees, otherwise they will slowly die off. Dave recommended that we set aside a larger amount of money for tree maintenance in the future.

The board then asked to get another arborist or two out here to look at the trees in the common area. The one bid we currently have, 'My Denver Tree Service' said they could do this work within a couple of weeks.

Next a homeowner, George, said if this is indeed the beetle that we should notify the homeowners in the neighborhood as he was unaware that the beetle is now here in the area.

Moving on the board discussed the concrete repairs in the common areas. Dave said the board has 3 bids, 2 at \$12 per square foot and one at \$9. The areas in question are around the tennis courts as well as the sidewalks in the green belts. The Reserve Study recommended setting aside money annually for this, although it has not been done in the past. The board will compare the bids and go from there. He explained part of the cost is the transportation to some of these areas, like in the middle of the green belt which adds to the cost due to this.

The final item in the category was the resealing of the parking lot. We have one bid for about \$1800 and are awaiting on the second bid from another contractor. Kevin shared that he thinks the number is a good price for the parking lot of this.

- VI. Next we moved on the the DRC update. Ben Ferimen was present and shared that we are slowing down on the requests right now. He has received about 5 in the last month.

Next the violations were discussed and the board asked that we cross reference on the spread sheet from their spring walk thru as they are not all on the report because we have closed some of them out. Jenna will get this to the board.

- VII. Moving on the board brought up the DRC working sessions and guidelines. Mike asked is homeowners were receiving these emails and everyone present said they were. Then Neal asked about the fence heigh guidelines. He said there are 4 feet, 5 feet and 6 feet. He mentioned his neighbors like the 5 feet. Dave said that they are trying to not have fluctuation on the fences and do not want them to vary. Another homeowner, Greg said that this is the first time the 5 feet fences have been brought up in the HOA meetings as well as the DRC working sessions. The DRC and BoD have been meeting since June 1st. A big reason is to 're-center' everyone so they are on the same page.

Then two homeowners brought up the recommendations of their fences to be opened up to split rail so they would not be private anymore where they back up near Fremont and Holly. She explained on the other side of Fremont there are varying sizes of fences where her fence and the neighbors are in great condition. She

said it is different on Fremont as well as on Grape. She shared her concern of their fences having to be opened up as she thinks it would not bode well on her property value. They are not willing to open their back yards to the split rail fences but would be happy to replace them to 6 feet when they need replaced. She does not think it is fair, especially since there are such varying sizes on the south side of Fremont.

Dave said there is a different guideline between North and South sides of Fremont because of the different conditions of these as well as the original guidelines. Dave said that properties that open up to common spaces should be opened up with the split rail.

Next Greg asked what the guidelines say-he said he thought there were guidelines that when these fences are pulled out they should be replaced to what the new guidelines are.

These three homeowners who would be affected by this do not support this decision because of their pets and or small children. These homeowners have been told for many years that they have perimeter fences and now they are being told they are interior fences. This would cause them to be open up to Holly and they are concerned about the noise and no longer having that barrier. These addresses are 7156, 7164, 7160 Hudson Circle. They feel like they are being targeted and now this would mean there would be 3 different fences in the area which is not going to be aesthetically pleasing. She said that she would take the HOA to court if they make her replace her fence as there are other homes that need to be addressed.

Mike explained that they do not want to have all the different fences, that is what they are trying to avoid and no one is being targeted. They are trying to find away to gain similar looks.

Ben said he remembers from the first conversation is that he questioned would this cause issues with noise and privacy. He said he understands these homeowners concern of the noise and privacy now. The current 4 feet does not have as much privacy as noise barrier as the 6 foot fences but better than the split rail.

Next there was a complaint of their neighbors home that is being rented. These homeowners said that ACCU has been helpful. The specific home referenced at 7154 Hudson Circle was actually issues another violation today by ACCU.

Then Ben brought up concerns of an email from a neighbor who needs her fence repaired in next Spring and that her and her neighbors would prefer the replacement of the 5 foot fence and they do not support the 6 foot fence as this is keeping with the character of the community as this is what was installed by the original builders of the community.

He then brought up the front doors for another homeowner. He said that they feel the recommend guidelines are too strict and would prefer them to be more relaxed. They would like to see more glass allowed within reason. They feel that glass in the top half would be acceptable as this would create more options to homeowners. This is better to view outside as well as allow more light in.

- VIII. Next the Eagle Scout Project was brought up. Mike explained that one of the youth in the neighborhood, Jack Sanders, repaired the bridge near the tennis court, the removed the rotting timbers around the play ground and replaced them and anchored them in. This work was completed. The quote we received from a contractor for the bridge was about \$2,500 but all this work was done for around \$800.
- IX. The meeting was called to order at 8:33, the next meeting will be on Monday the 24th of October as well as the Annual Meeting following on the 28th of November.